

HAMPTON VA

NEWS RELEASE

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Hampton Council approves 2014 budget, trims tax rate increase to 20 cents

Wednesday, May 8 – Hampton City Council approved a budget of \$448,602,259 for fiscal year 2014, raising the property tax rate by 20 cents but trimming 3 cents off the maximum rate that was recommended last month. The year-over-year increase is 4.08%, with half of the increased revenue earmarked for schools and half for city operations.

During the earlier public comment period, Henry Morgan, a Hampton property and business owner, spoke in support of the budget. He complimented council on managing tax rates down during the times when assessments were rising. Now, he said, council members have the “unenviable, thankless task” of managing the tax rate up.

The vote followed more than two months of spirited discussion in the city. City Manager Mary Bunting and School Superintendent Linda Shifflette led a process that included public meetings, online polling and a scientific survey. Hampton residents overwhelmingly opposed most proposed cuts to city and school services and expressed support for an increase in the city’s property tax rate.

The adopted budget reinstates some cuts the manager had earlier recommended. Old Hampton Community Center will be funded for the year, and the 311 customer service call night and weekend hours were restored. The threatened school programs were protected, including elementary guidance counselors, registered nurses, 8-class high school schedules and the Moton Early Childhood Center. It also provides funding for some future initiatives, including city Master Plan projects and school technology upgrades that include a pilot program of tablets, such as iPads, for some students, while benchmarking educational results.

Most of the cuts came by scaling back the proposed level of investments in both city and schools. City Manager Mary Bunting explained, “It was the will of council to bring down the tax rate. There was a desire to protect, and to invest some funds, but not go all the way.”

Eighty-eight percent of the 2,400 residents who voluntarily gave their input during polling said they were willing to raise the property tax rate, which has been \$1.04 for each \$100 of assessed value since 2009. The rate for next year will be \$1.24. An independent telephone survey by Continental Research found 82 percent of those questioned favored increasing taxes to protect services or invest in technology, renovation and construction. During the City Council’s public hearings, speakers were overwhelming in support of the proposed budget, especially the increased funding for schools.

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